

**SECRET**

IDEA-0230-68

Copy 5 of 5

28 May 1968

**MEMORANDUM FOR THE RECORD**

**SUBJECT: Proposed FY 1969 Budget Cuts**

1. Today I talked to [ ] concerning the proposed [ ] reduction in our FY 1969 Agency budget. I explained that, rather than take a flat reduction of [ ] in the commo equipment budget, we would prefer to state that we would accept the reduction but apply it in two or three line items, depending upon priorities as the year develops and things settle down in OSA. The line items would involve both equipment and leases for OSA, OSP, and other offices who have support costs in our budget.

2. [ ] agreed with our approach but felt that, from an administrative point of view, we should limit our consideration to the single line item at this time. He also agreed that, as priorities changed, we could make adjustments as we have in the past. He understands that we hope to effect the bulk of the savings in the leased line accounts. Any delay in the installation of leased lines will mean proportionate savings since the billings are on a monthly basis and we may be able to defer some of these. I explained that the IDEALIST commo equipment account had borne the brunt of all of the budget cuts during the past two fiscal years, and that we had to have the flexibility to reassess our requirements as situations change. He agreed.

[ ]  
Comptroller

Office of Special Activities

Compt/OSA [ ]

Distribution:

- 1 - Compt/OSA
- 2 - RD/SA
- 3 - BPD/OSA
- 4 - [ ]
- 5 - RB/OSA

**SECRET**